LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

200 W. Washington, Suite 301 Indianapolis, IN 46204 (317) 233-0696 http://www.in.gov/legislative

FISCAL IMPACT STATEMENT

LS 6774 NOTE PREPARED: Jan 24, 2008

BILL NUMBER: SB 188 BILL AMENDED:

SUBJECT: Recovery for Restraint of Trade.

FIRST AUTHOR: Sen. Ford

BILL STATUS: CR Adopted - 1st House

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL IMPACT: State

DEDICATED FEDERAL

<u>Summary of Legislation:</u> This bill authorizes the Attorney General to bring suit on behalf of the state or a political subdivision to recover for injuries or damages suffered directly or indirectly as a result of certain unlawful acts in restraint of trade. The bill provides that a prevailing plaintiff is also entitled to treble damages and reasonable costs and attorney's fees.

Effective Date: July 1, 2008.

Explanation of State Expenditures: This bill will increase the administrative costs of the Attorney General (AG). The bill authorizes the AG to bring suit on behalf of a state or political subdivision to recover for injuries or damages suffered directly or indirectly as a result of certain unlawful acts in restraint of trade. The increase in administrative costs will ultimately depend on the number of suits brought by the AG. It is estimated that any increase in costs to the AG could be offset by the ability for a successful plaintiff to recover attorney's fees under the bill.

Explanation of State Revenues: The bill provides that a successful plaintiff is entitled to recover threefold the damages awarded in an action for restraint of trade. If a political subdivision or the state is awarded damages under this provision, those damages would be deposited in the state General Fund since the statute does not provide a specific fund for deposit of these damages (IC 4-8.1-1-3). The amount of any damages deposited in the state General Fund is indeterminable, and will ultimately depend upon the amount awarded to the state or a political subdivision in an action for restraint of trade.

Explanation of Local Expenditures:

SB 188+

Explanation of Local Revenues:

State Agencies Affected: Attorney General.

Local Agencies Affected:

Information Sources:

Fiscal Analyst: Adam Brown, 317-232-9854.

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